

THE NEBRASKA LEGISLATURE'S  
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# UPDATE

## Papio-Missouri NRD bonding authority debated

The Papio-Missouri Natural Resources District would be authorized to issue bonds to pay for flood control measures under a bill debated on general file April 15.

LB160, introduced by Papillion Sen. Tim Gay, would permit NRDs containing a metropolitan class city — a classification which includes only the Papio-Missouri NRD — to dedicate a portion of their existing 4.5-cent mill levy for the issuance of bonds. Voter approval would be required if the bond levy rate were to exceed 2 cents.

Projects supported by the bonds would be limited to those addressing water quality enhancement and flood protection, including dams, reservoirs, low-impact developments, flood plain buyouts and levees. Project size would be restricted to no more than 400 surface acres and public access would be

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*Sen. Tim Gay explains how development of farmland has created water control concerns.*

## Lawmakers advance bill to increase court fees

Senators advanced a bill April 14 that would increase various court fees, create new district court judgeships, increase the jury pool and make several other court related changes.

LB35, introduced by Omaha Sen. Brad Ashford, originally would have contained the Violence Prevention Act. The bill's provisions were amend-

ed into LB63, which is currently on select file.

The Judiciary Committee offered an amendment, adopted 29-1, that replaced the original bill with provisions from several other bills. Debate centered on proposed court fee increases.

As amended, LB35 would include provisions from LB333, introduced

by Omaha Sen. Brad Ashford, which would raise the Supreme Court Automation fee from \$6 to \$7. Ashford offered an amendment to the committee amendment to raise the fee to \$8. He said the increase is needed to fund the automation conversion of the Douglas County District Court and Juvenile Court to the statewide court computer system. The proposed fees

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# A CLOSER LOOK.....

## Papio-Missouri NRD bonding authority debated

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required for water pools greater than 20 surface acres.

Finally, the bill would allow the Papio-Missouri NRD board of direc-

tors to issue warrants to make partial payments of bond proceeds and authorize payment of fees for placement of warrants or bonds. The use of eminent domain to enhance private developments would be prohibited.

A Natural Resources Committee amendment, adopted 39-0, would establish a sunset date of Dec. 31, 2019, for the issuance of bonds. The amendment also would lower the levy authority for bonding from 2 cents to 1 cent and require a two-thirds vote of the NRD's board of directors to approve bonds.

Other provisions of the committee amendment include a prohibition against using bond proceeds for combined sewer separation projects in a metropolitan class city and a measure that would permit counties to block bonds for projects greater than 20 surface acres if the county governing board passes a resolution opposing their construction.

Gay said LB160 would address flood control and water quality issues at a local level. He said the Papio Creek Watershed is one of the most dangerous watersheds, as it collects water runoff from 402 square miles.

Development has increased 25 percent since 1970, Gay said, which compounds water control problems as roofs and pavement replace farmland. He said the \$4.5 million generated annually from the 1-cent levy would allow the Papio-Missouri NRD to take advantage of low interest rates to complete needed construction.

"This issue is not new, but its need

for passage is more important than ever," Gay said. "The time for studying and debating the issue has passed. The time to act is now."

Omaha Sen. Tom White said there is a disconnect between the costs and benefits of water drainage. He advocated for system-wide zoning for NRDs to examine all options before bonding.

"If we don't really affect the underlying structural problems, we are like the guy coming to the [emergency room] with a clogged artery and doesn't change his life," White said. "Unclog the artery, but also change your ways."

Schuyler Sen. Chris Langemeier spoke in opposition to the bill. NRDs can shift priorities based on current issues or mandates, he said, and bonding for projects would delay their progress. Instead, cities and counties should utilize zoning to address the issues LB160 attempts to resolve, he said.

"I think we need to make our cities and counties take a proactive approach," Langemeier said.

Kearney Sen. Galen Hadley offered an amendment to restore bonding levy authority to the bill's original 2 cents, reduce supermajority requirements for NRD board approval to a simple majority, eliminate county board veto power and require voter approval of the issuance of bonds. General obligation bonds are backed by the faith of the government, he said, and therefore should be subject to a vote of the people.

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### Seeking Future State Leaders

The **Unicameral Youth Conference** is a four-day legislative simulation for students entering grades 9-12. Students experience the entire legislative process as youth senators, including introducing bills, conducting committee hearings and discussing legislation through three rounds of debate.

The 2009 conference takes place at the Nebraska State Capitol Building and the University of Nebraska-Lincoln **June 7 - 10**.

**Register** by May 1 at <http://4h.unl.edu/programs/citizenship/civics/uyc/> or contact the Unicameral Information Office for details at (402) 471-2788.



# A CLOSER LOOK.....

## Lawmakers advance bill to increase court fees

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still would be comparatively lower than those in surrounding states, Ashford said.

Tekamah Sen. Kent Rogert said senators should not compare Nebraska's court fees to other states'.

"We're not as high as all the surrounding states and that's good," he said. "We should be lower. Our budget is less and we have fewer people."

But Omaha Sen. Steve Lathrop supported the fee increase, saying only those filing suits would pay the fees.

"It's not something that every taxpayer in your district is going to pay," he said. "It is the guy filing the lawsuit, guys like me, that will end up paying \$2 more to file a lawsuit."

Lathrop said the court's conversion to an automated computer system would save people money because they would no longer have to drive to various courthouses for paperwork.

"There's no postage, no driving down to the courthouse. I can file that lawsuit with the touch of a mouse," he said.

Omaha Sen. Mike Friend said an increase in fees might have an unintended consequence.

"We are potentially limiting the number of people who have access to our courts," he said.

But Omaha Sen. Scott Lautenbaugh disagreed.

"We don't want to limit access to the courts, but we have not been keeping pace with inflation," he said. "We are trying to spend a little money to save a lot."

Ashford's amendment to the committee amendment was adopted on a

29-4 vote.

Louisville Sen. Dave Pankonin offered and later withdrew an amendment to the committee amendment that would have increased the filing fees for civil and criminal causes of action from \$5 to \$6. Pankonin said the increase is necessary to fund the judges' retirement fund, which is currently facing a \$330,000 to \$600,000 shortfall in fiscal year 2011-12, depending on economic conditions.

Lautenbaugh offered an amendment to the committee amendment that would increase fees charged for county sheriffs to hand-deliver court documents. The increases are necessary to reflect inflation, Lautenbaugh said. Fees have not been increased in 20 years, he said.

Lincoln Sen. Bill Avery said Lautenbaugh's amendment included a compromise the Government, Military and Veterans' Affairs Committee reached on LB273. The amendment would raise five types of fees by 20 percent. The original bill included 28 types of fees, Avery said.

Lautenbaugh's amendment also included a provision relating to the recovery of costs in lawsuits involving debt collection. His amendment would allow the plaintiff to recover costs upon a voluntary payment after the action is filed but before a judgment is issued. Lautenbaugh said the provision would encourage plaintiffs to seek voluntary payment because they would still be able to recover costs without a judgment. Currently,

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*Sen. Mike Friend raises concerns about court fee increases, saying it could limit citizens' access to the judicial system.*

# A CLOSER LOOK.....

## NRD bonding authority debated

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Hastings Sen. Dennis Utter warned against allowing the issuance of general obligation bonds without a vote of the electorate.

“I see a trend may be starting. We’re starting to think that it is okay to raise taxes, incur debt and raise taxes to pay for that debt without the taxpayers having a direct voice,” Utter said.

Gay spoke in opposition to Hadley’s amendment. He said the amendment would “undo every agreement” negotiated on the bill and represent a “seven-year step backward.” He also said the amendment would undermine local control by not allowing NRDs to make bonding decisions.

“Representative democracy means we elect representatives to make hard decisions,” Gay said. “There are times when decision makers need to make decisions on local boards.”

The Legislature adjourned before voting on Hadley’s amendment.

Senators voted 40-0 to adopt an amendment to the committee amendment offered by Tekamah Sen. Kent Rogert that would require cities and counties within a watershed to adopt a storm water management plan approved by the NRD board before proceeds of bonds could be issued to fund projects.

Bellevue Sen. Scott Price offered, and later withdrew, an amendment that would have limited bonding to three projects at a time.

LB160 remains on general file.

## Bill to increase court fees advances

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judgment must be made to require a defendant to pay costs.

Omaha Sen. Tom White opposed the measure, calling it “fundamentally unfair.”

“This is a trap for working people,” he said.

Under the measure, debtors who voluntarily pay a debt would be unfairly surprised when served with additional bills for court costs incurred by the plaintiff, White said.

Lautenbaugh’s amendment was adopted on a 26-13 vote.

Senators also debated a provision in the bill from LB669, introduced by Lincoln Sen. Colby Coash, which would create one new Lancaster County District Court judgeship.

Coash said the measure would help alleviate increased demands on the judicial system due to population growth, which is causing a strain on judges’ workloads, duties and travel time.

“Our courts are running about as bare-bones as we can ask them to run,” he said.

Lathrop said a new judge in Lancaster County would benefit the whole state.

“If you’re in the Panhandle, you’ve got a stake in this judgeship,” he said.

Lathrop said a failure to add another judge to Lancaster County would increase the chances of reallocating judges out of western Nebraska.

LB35 advanced to select file on a 40-0 vote.

Court-related provisions from several other bills also were contained in the committee amendment to LB35.

LB305, introduced by Omaha Sen.

Brenda Council, would add individuals who possess a state identification card to the source list used to create the master jury list. The master jury list is currently comprised of registered voters and registered drivers in the state of Nebraska.

Ashford said the measure would address significant racial disparities in the state’s jury pools found by the Nebraska Minority Justice Committee’s Minority and Justice Task Force.

LB40, introduced by Norfolk Sen. Mike Flood, would make technical changes to new trial procedures and the Uniform Credentialing Act.

LB46, LB47 and LB118, all introduced by Lexington Sen. John Wightman, would make technical changes relating to probate law.

LB332, introduced by Ashford, would make technical changes to county courts, especially in regard to adoption, foster care and CASA volunteers.

LB344, introduced by Ashford, would make technical changes to the Civil Legal Services Program, which provides grants to civil legal service providers offering free services to low-income people.

LB352, introduced by Lautenbaugh, would allow commercial couriers to deliver summons.

LB352 and LB353, both introduced by Lautenbaugh, would make technical changes to civil and cross-appeal procedures.

LB433, introduced by Lathrop, would expand the district court’s exclusive jurisdiction over misdemeanor cases that arise from the same incident as a charged felony.

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## Banking, Commerce, & Insurance

### Mortgage originator licensing bill passes

Lawmakers gave final approval April 17 to a bill that brings the state into compliance with the federal Secure and Fair Enforcement for Mortgage Licensing Act.

LB328, introduced by Omaha Sen. Rich Pahls at the request of the state Department of Banking and Finance, makes several changes to state laws governing mortgage originators. Among other provisions, the bill:

- repeals the exemption of individual mortgage loan originators from state licensure;
- requires individual mortgage loan originators who work for installment loan companies to be licensed; and
- mandates that state-chartered, non-insured depository institutions register their loan originators in the same manner required of insured depository institutions.

LB328 passed on a 49-0 vote.

### Unclaimed property bill advanced

A bill seeking to assist the state treasurer in returning unclaimed



Sen. Rich Pahls



property and protecting property owners' personal information received first-round approval April 16.

Omaha Sen. John Nelson, sponsor of LB432, said the bill would help protect Nebraskans from fraud and identity theft.

Under the bill, the state would be required to treat personal records of abandoned property owners, including social security number, date of birth and last known address, with the same confidentiality as tax return information held by the state Department of Revenue.

The bill also would cap the fee that professional finders may charge at 10 percent of the abandoned property's value. To claim a fee, a finder would be required to disclose to the claimant in writing when the property was, or will be, abandoned and that the property can be claimed free of charge.

A committee amendment, adopted 42-0, removed a section of the original bill regarding outstanding state warrants.

Senators advanced LB432 to select file 38-0.



Sen. John E. Nelson

## Business & Labor

### Bill would clarify workers' compensation law

Senators advanced a bill April 14 that would create a fine for delayed workers' compensation payments.

LB622, introduced by Omaha Sen. Jeremy Nordquist, would entitle injured workers to an additional 50 percent of a non-controversial medical bill if insurance companies fail to pay it within 30 days.



Sen. Jeremy Nordquist

An amendment offered by the Business and Labor Committee clarifies that the 30-day period would begin at the notice of injury or after the final order issued by the court.

Omaha Sen. Steve Lathrop said the bill would increase fairness in workers' compensation payments. There may be several payouts considered in a compensation case, he said, and if one payment is in question, all other payments often are stopped.

"If it's not an issue, then you ought to pay it," Lathrop said.

Fremont Sen. Charlie Janssen opposed the measure, saying it would put employers at a disadvantage.

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“The rules are pretty skewed toward the employee at this time,” he said.

The committee amendment was adopted on a 33-1 vote and LB622 advanced to select file on a 32-2 vote.

## Education

### Assistance for children of deceased officers and firefighters passed

Children of law enforcement officers and firefighters who perish in the line of duty will be offered postsecondary education assistance under a bill passed April 17.

LB206, introduced by Lincoln Sen. Danielle Nantkes, creates the In the Line of Duty Dependent Education Act, which permits children of deceased police officers and firefighters to attend state universities, colleges and community colleges free of tuition and fees.



Sen. Danielle Nantkes

The bill limits the assistance to children under 26 years of age. Beneficiaries are required to apply for federal financial aid, as well as state scholarships and grants, to offset tuition and fees.

Tuition and fee waivers are offered for five years of full-time undergraduate coursework. Assistance is restricted to children of officers and firefighters who are fatally injured on or after the effective date of the bill.

Members of an ambulance squad or a rescue squad associated with a fire department are categorized as firefighters for the purposes of the

bill.

LB206 passed on a 47-0 vote.

### Bill requiring evaluation of community colleges passes

Lawmakers passed a bill April 17 aimed at resolving funding disputes between state community colleges.

LB340, introduced by Omaha Sen. Tanya Cook, requires the Coordinating Commission for Postsecondary Education to evaluate the community college funding formula.



Sen. Tanya Cook

The bill requires community college officials to resolve disputes about how to divide state aid. Funding disputes led to the expulsion of Metropolitan Community College from the Nebraska Community College Association, Cook said.

Under the bill, the commission’s study will focus on four areas: the role and mission of community colleges, changes in the weighting of courses to reflect that role and mission, the role of the Nebraska Community College Association and whether membership should be required. Each community college is required to participate in the study and the findings will be reported to the Legislature by December 15.

The bill passed on a 49-0 vote.

### Lawmakers approve loan forgiveness for more teachers

Senators passed a bill April 17 that forgives some educational loans for teachers who pursue graduate degrees.

LB547, introduced by York Sen. Greg Adams, changes the way \$1 million of lottery funds are used in

a teacher loan forgiveness program.

Currently, the Attracting Excellence to Teaching program provides forgivable education loans to teachers who work in areas of high need as established by the state Department of Education.



Sen. Greg Adams

The bill allows \$600,000 of the funds to be used for teachers pursuing graduate degrees and \$400,000 for undergraduate degrees. Under the bill, the graduate degree must be within the teacher’s endorsed area and teachers must commit to staying in the teaching profession for at least two years.

LB547 also expands loan forgiveness to teachers who teach in private schools that meet certain poverty standards.

The bill passed on a 49-0 vote.

## Executive Board

### Legislative audit and research offices separated

Senators passed a bill April 17 that divides the office of Legislative Audit and Research into two offices.

LB620, introduced by Lexington Sen. John Wightman, enacts recommendations from an independent professional peer review of the office. Under the bill, the research and audit functions are organized under separate offices with separate



Sen. John Wightman

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budgets.

LB620 passed on a 49-0 vote.

## General Affairs

### Senators finalize cigar bar exemption

Final legislative approval was given April 17 to a cigar bar exemption to the statewide smoking ban passed last year and set to take effect June 1, 2009.

LB355, introduced by Omaha Sen. Scott Lautenbaugh, allows an exemption for cigar bars that hold a Class C liquor license and earn at least 10 percent of their gross revenue from the sale of cigars and other tobacco-related products, excluding cigarettes.



Sen. Scott Lautenbaugh

The bill also:

- prohibits cigarette smoking in cigar bars;
- requires a \$1,000 non-refundable application fee;
- prohibits cigar bars from selling food;
- requires that a walk-in humidor be on the premises;
- prohibits discounting alcohol in conjunction with cigar sales;
- requires that proof of qualifying revenue be submitted to the Nebraska Liquor Control Commission; and
- prohibits counties and cities from passing resolutions or ordinances prohibiting cigar smoking in cigar bars.

After declining to pass LB355 with the emergency clause attached, sena-

tors passed the bill on a 27-22 vote.

### Cemetery fund changes advance

Lawmakers gave first-round approval April 16 to a bill that would change provisions relating to municipal cemeteries in Nebraska.

Under LB500, introduced by Wilber Sen. Russ Karpisek, a mayor, city council or board of trustees would be able to set aside donations, bequests and proceeds from the sale of lots as a perpetual fund.



Sen. Russ Karpisek

Income from such a fund could be used for the general care, management, maintenance, improvement, beautifying and welfare of the cemetery. No more than 20 percent of the principal could be used for such purposes in any fiscal year and no more than 40 percent in any period of 10 consecutive fiscal years.

Currently, use of the principal balance in a cemetery's perpetual fund is limited to the purchase and development of additional land.

"The bill will give cities and villages flexibility," Karpisek said.

LB500 advanced to select file 32-0.

## Government, Military & Veterans Affairs

### Lawmakers approve public meeting changes

Senators passed a bill April 17 that allows some public governing bodies

to record roll call and voice votes with an electronic voting device.

LB361, introduced by Lincoln Sen. Bill Avery, applies to governing bodies created under the Interlocal Cooperation Act, the Joint Public Agency Act and the Municipal Cooperative Financing Act. Under the bill, county governing bodies also are allowed to use electronic voting devices. Currently, only municipalities are authorized to use electronic voting devices.



Sen. Bill Avery

As amended, LB361 contains provisions from two other bills.

LB465, introduced by Imperial Sen. Mark Christensen, allows education service units to hold meetings by video or telephone conference. No more than half of the annual meetings could be held using such methods.

LB639, introduced by Wilber Sen. Russ Karpisek, allows risk management pool governing bodies to conduct more than half of their annual meetings by telephone conference if their quarterly meetings are conducted in person.

LB361 passed on a 48-0 vote.

### Bill would extend restrictions to protect Capitol views

Senators advanced a bill April 16 that would extend building height restrictions on the west side of the state Capitol Building.



Sen. Kathy Campbell

Lincoln Sen. Kathy Campbell, sponsor of LB450, said the bill was designed to maintain

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views of the state Capitol Building throughout the Lincoln area.

Building height restrictions are currently enforced in an area around the Capitol called the Environs District, which extends to K, 13th, H and 10th streets. LB450 would extend the west border to Fifth Street, protecting the area between the county city building and Rosa Parks Way.

Campbell said most of the land in question is owned by the city of Lincoln or Lancaster County and neither entity was opposed to the bill.

LB450 was advanced to select file on a 36-0 vote.

## Lawmakers advance changes to state employee reimbursement

A bill advanced April 16 would create more lenient deadlines and less paperwork for state employees submitting reimbursement requests.

LB533, introduced by Bellevue Sen. Scott Price, would allow the state Department of Administrative Services to require receipts for meal expense reimbursement incurred while traveling on state business. The bill also would extend to 60 days the deadline for submitting reimbursement claims. Currently, claims must be made monthly.



Sen. Scott Price

Price said the bill makes common-sense changes by saving employees the step of transferring information from receipts to an expense log that is then submitted to DAS.

"We'll have accountability without compromising efficiency," Price said.

The Government, Military and Veterans Affairs Committee offered

an amendment that would add an emergency clause to the bill.

The committee amendment was adopted 36-0 and LB533 advanced to select file on a 41-0 vote.

## Health & Human Services

### Medical home pilot program approved

Senators gave final approval April 17 to a bill establishing a medical home pilot program for Medicaid recipients in Nebraska.

LB396, sponsored by Grand Island Sen. Mike Gloor, establishes an advisory council to consult with the state Department of Health and Human Services on implementing the program. The pilot program will begin by Jan. 1, 2012 and a report will be due to the governor and the Legislature by June 1, 2014.



Sen. Mike Gloor

The bill also requires HHS to design and implement reimbursement rate policies to create incentives for providers.

The pilot program will terminate June 30, 2014.

LB396 passed 48-1.

### Vocational training bill passed

Senators approved a measure April 17 extending the length of time Nebraskans receiving public assistance are allowed to acquire vocational training as part of their work activity requirement.

Under LB458, sponsored by Scottsbluff Sen. John Harms, vocational training leading to a certificate, diploma or associate degree is added to the list of approved work activities that individuals must engage in to receive Aid to Dependent Children benefits.



Sen. John Harms

The bill allows recipients to participate in vocational training for a minimum of 20 hours per week for up to 36 months. Under current law, vocational training is capped at 12 months.

The extension sunsets Sept. 30, 2012.

LB458 passed on a 49-0 vote.

### Bill allows more long-term care options

Senators gave final approval April 17 to a bill that creates an exemption from the Nebraska Certificate of Need Act for intermediate care facilities for the mentally disabled with 15 or fewer beds.

The bill revises the definition of intermediate care facility under the act to exclude facilities for the mentally retarded with 15 or fewer beds. Such facilities will not be required to seek a certificate of need.



Sen. Norm Wallman

Cortland Sen. Norm Wallman, sponsor of LB511, said the bill provides the state more options for housing individuals displaced from the Beatrice State Developmental Center.

The bill passed 49-0.

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## Bill would change task force membership

Lawmakers advanced a bill April 16 that would add the state's probation administrator to the membership of the Children's Behavioral Health Task Force.

Sponsored by Papillion Sen. Tim Gay, LB540 also was intended to change the status of three task force members. Two representatives of the state department of Health and Human Services and the administrator of the office of juvenile services would have become nonvoting, ex officio members.



Sen. Tim Gay

However, under a committee amendment adopted 34-0, the two HHS representatives and juvenile services administrator were removed from the task force. Gay said the amendment was offered at the department's request.

The bill advanced to select file on a 32-0 vote.

## Judiciary

### Bill would update interstate regulations for juveniles

An updated version of the Interstate Compact for Juveniles would be adopted under a bill advanced to select file April 17.

The Interstate Compact for Juveniles is an agreement between states to track and supervise juveniles on probation who move across state borders. The compact also regulates the

return of out-of-state runaways.

Omaha Sen. Steve Lathrop, sponsor of LB237, said the bill would allow Nebraska to join 35 other states that are already part of the compact.



Sen. Steve Lathrop

The Judiciary Committee offered an amendment that would expand the provisions of the bill to juveniles who are in other states as a result of adoption, foster care or relative care placement.

The committee amendment was adopted 38-0 and the bill advanced to select file on a 39-0 vote.

### Sports agent regulation bill passes

Lawmakers passed a bill April 17 that requires sports agents seeking to represent student athletes to register with the state.

LB292, introduced by Omaha Sen. Steve Lathrop, requires registration, certification and background checks of sports agents seeking to represent intercollegiate athletes. The process will be administered by the secretary of state.

The bill enables student athletes to opt out of an agreement within 14 days of signing. The director of the school's athletic department must be notified when a student athlete enters into a contract with a sports agent.

LB292 passed on a 49-0 vote.

### Family reunification requirements modified

Court procedures for reunifying families are modified by a bill passed by the Legislature April 17.

LB517, introduced by North Platte Sen. Tom Hansen, exempts Nebraska courts from making reasonable efforts to reunify a family in which a parent has been convicted of a felony sexual assault of the other parent.



Sen. Tom Hansen

In such a case, courts also could terminate the felon's parental rights.

The bill also applies to parents who subject any minor child to abandonment, torture, chronic abuse or sexual abuse.

LB517 was passed 49-0.

## Natural Resources

### Bid thresholds increased for public power projects

Public power districts are permitted to contract without sealed bids for projects not exceeding \$250,000 under a bill passed by the Legislature April 17.

LB300, introduced by Elk Creek Sen. Lavon Heidemann, raises the sealed bid threshold for the construction and improvement of power systems, irrigations works, and hydrogen and ethanol facilities. The current limit for projects contracted without sealed bids is \$100,000.



Sen. Lavon Heidemann

The bill also will raise the threshold for sealed bids to \$500,000 for

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districts with revenue exceeding \$500 million.

LB300 was passed 47-0.

## Ground water transfer bill passes

Those wishing to transfer a ground water right will have a uniform procedure to follow under a bill passed by the Legislature April 17.

LB477, introduced by Holdrege Sen. Tom Carlson, requires NRDs to obtain a title report that identifies lienholders and documents their consent before approving a transfer of certified irrigated acres or other certified water uses. The provisions also pertain to participation in an NRD financial incentive program.



Sen. Tom Carlson

After approving a transfer, NRDs will record the transfer with the appropriate register of deeds.

Lienholders who do not consent to a transfer will be permitted to bring action against the person seeking the transfer for damages done to the lienholder's interest in the land.

LB477 was passed on a 49-0 vote.

## Retirement

### Disabled school employee bill passes

A bill passed April 17 allows some individuals receiving a disability benefit from the Nebraska School Employees Retirement System to work as part-time school employees without losing their disability benefit.

The Nebraska School Employees Retirement System includes individuals who work in Nebraska public schools except those employed by Omaha Public Schools.

LB449, sponsored by Lincoln Sen. Kathy Campbell, allows a disability beneficiary younger than 65 years of age to return to work at a school for less than 15 hours per week if a physician has certified the individual as permanently disabled.

The bill passed on a 49-0 vote.



Sen. Kathy Campbell

## Revenue

### Counties must resume assessment role

The state will cease property valuation services for nine counties under a bill passed by the Legislature April 17.

LB121, introduced by Lexington Sen. John Wightman, requires Dakota, Dodge, Garfield, Greeley, Harlan, Hitchcock, Keith, Saunders and Sherman counties to reimburse the state for the costs associated with valuations until they resume assessment services. Starting in 2010, reimbursement will begin at 25 percent and grow 25 percent annually until the counties assume 100 percent of cost in 2013.

The bill includes exceptions for budget limits and levy lids to help



Sen. John Wightman

counties pay for the new expenses. In addition, LB121 permits noncontiguous counties to pursue interlocal agreements for joint assessment.

Equipment and property used by the state to perform the county assessments will be transferred to affected counties. State employees will be compensated for accrued vacation leave and 25 percent of sick leave and can participate in the county's insurance program without being affected by a waiting period or preexisting condition provision.

LB121 passed on a 42-6 vote.

### Contractor database changes advance

Under a bill receiving first-round approval April 14, the state Department of Labor and the state Department of Revenue would no longer be required to maintain separate databases of contractors.

LB162, introduced by Bellevue Sen. Abbie Cornett, would create a single contractor database to be used by both departments for the purposes of the Revenue Act and the Contractor Registration Act. The database would be administered by the Department of Labor, and the departments would be allowed to share registration information.



Sen. Abbie Cornett

The bill also would transfer registration and fee collection for nonresident contractors from the state Tax Commissioner to the Department of Labor and eliminate bonding requirements for nonresident contractors.

Cornett said the bill would provide a user-friendly method for contrac-

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tors to comply with registration requirements.

The Revenue Committee offered a technical amendment, adopted 39-0, and LB162 advanced to select file on a 33-2 vote.

## Tax incentive programs extended

Sunset dates for various tax incentive programs are extended under a bill passed by the Legislature April 17.

LB164, introduced by Bellevue Sen. Abbie Cornett, implements a Dec. 31, 2015, sunset date for the Nebraska Advantage Research and Development Act, the Nebraska Advantage Microenterprise Tax Credit Act, and Tiers I and III of the Nebraska Advantage Act.

The bill also:

- extends the sunset date for the Agricultural Opportunities and Value-Added Partnership and the Building Entrepreneurial Communities Act grant programs from Jan. 1, 2011 to Jan. 1, 2015;
- expands the definition of new employee under the Nebraska Advantage Act to include employees at Nebraska military facilities who perform work connected to a project;
- allows businesses capturing 75 percent or more of their revenue from the sale of personal property outside the state to qualify under the Nebraska Advantage Act;
- allows companies under Tier VI of the Nebraska Advantage Act to claim all employees for credits against income tax;
- alters penalties for inadequate investment or employment under Nebraska Advantage; and
- prohibits interest on refunds under the Nebraska Advantage

Research and Development Act and the Nebraska Advantage Microenterprise Tax Credit Act.

LB164 passed on a 48-0 vote.

## County capital improvement project extension advances

Counties would have twice as much time to bond for capital improvement projects under a bill receiving first-round approval April 16.

LB294, introduced by Lincoln Sen. Kathy Campbell, would extend from 10 to 20 years the time frame during which counties may levy taxes financing bonds for capital improvement projects.

Campbell said the bill would reduce pressure on taxpayers by spreading out financing and taking advantage of favorable interest rates.

Lawmakers voted 39 to 0 to advance LB294 to select file.

## Motion to advance sunsets for sales tax exemptions fails

A motion to place a bill on general file, despite it being killed in committee, failed April 17.

Omaha Sen. Rich Pahls made a motion to advance LB385, which was indefinitely postponed by the Revenue Committee on an 8-0 vote. The bill would enact July 1, 2011, sunsets for sales tax exemptions enacted or last amended prior to 2005; July 1, 2012, for exemptions enacted or last amended since 2005; and July 1, 2013, for exemptions on rebates relating to motor vehicles and motorboats

and the sales tax on services.

The bill also would revoke the authority of political subdivisions to enact local option sales taxes on July 1, 2014, and cease sales tax obligations for storage, use, lease and rental fees on July 1, 2015. This would be followed by the elimination of the state sales tax on July 1, 2016.

Pahls said his bill would give lawmakers an opportunity to examine which sales tax exemptions are necessary.

“It does not automatically mean all those exemptions are eliminated,” Pahls said.

Pahls offered to lay over the bill so the Revenue Committee could draft an amendment that the body could address at the start of the 2010 session.

Speaker Mike Flood of Norfolk opposed Pahls’ motion. While he saw value in LB385, he said, the motion to pull the bill from committee would devalue the work of committees.

“I think that ignoring the will of the committee ... waters down the effectiveness of the committee process,” Flood said.

Revenue Committee chairperson Sen. Abbie Cornett of Bellevue also opposed Pahls’ motion to advance LB385 to general file despite the committee’s vote. The Legislature needs to examine the sales tax code, she said, but that objective can be accomplished through the committee process.

“We do not need this bill to prompt us to do our jobs,” Cornett said.

Omaha Sen. Pete Pirsch spoke in favor of Pahls’ motion. The Legislature is a “body of equals,” he said, and members who do not serve on a particular committee are not required to strictly adhere to the committee’s preferences.

The motion failed on a 15-29 vote.



Sen. Rich Pahls

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Under legislative rules, 30 votes were needed for the motion to be adopted.

## Transportation & Telecommunications

### 'Move over' bill receives first-round approval

Motorists approaching stopped emergency assistance vehicles on controlled-access roads would be required to move into a far lane under a bill advanced to select file April 17.

LB92, introduced by Omaha Sen. Gwen Howard, would require drivers on controlled-access highways with four or more lanes to move into a lane at least one lane apart from stationary emergency and road assistance vehicles.



Sen. Gwen Howard

Violators would be guilty of a traffic infraction for the first offense and a Class IIIA misdemeanor for second and subsequent offenses.

The bill includes exemptions for poor weather and unavailable lanes, though drivers in those instances would be required to maintain a safe speed and proceed with caution. In addition, the bill's provisions would not become effective until the state Department of Roads erects road signs notifying drivers of the law.

Howard said LB92 would prevent injury and possible death for individuals providing assistance to others on Nebraska highways. Nebraska is one of only five states without a similar law, she said.

If LB92 is passed, Howard said, the move over law would be printed in

the state driver's manual, which will alert people to the need of moving over for emergency providers.

"I don't believe drivers are intentionally inconsiderate," she said. "They are just not informed."

Kearney Sen. Galen Hadley spoke in support of the bill. Speed limits are difficult to enforce, he said, but they encourage people to drive slower. Therefore, despite enforcement problems, a move over law would encourage more people to switch lanes for stopped emergency vehicles, he said.

A Transportation and Telecommunications Committee amendment, adopted 37-1, revised the definition of emergency vehicle to include motorist assistance vehicles operated by the Nebraska State Patrol, towing and roadside assistance vehicles registered with the U.S. Department of Transportation and vehicles operated by the state Department of Roads.

Howard offered an amendment to the committee amendment that would remove the requirement that signs be posted before the enactment of the bill's provisions, although the department still would be required to erect signs.

Howard's amendment was adopted 36-1 and LB92 advanced on a 42-1 vote.

### Construction zone speeding bill passes

Fines for speeding in construction zones will double only if workers are present under a bill passed by the Legislature April 17.

LB111, introduced by Valentine Sen. Deb Fischer, stipulates that speeding fines



Sen. Deb Fischer

may be doubled in construction zones only if the officer issuing the citation sees road workers in the construction zone.

The bill was passed on a 47-0 vote.

### Electronic title and lien process approved

The state Department of Motor Vehicles will be required to develop an electronic title and lien process under a bill passed April 17.

LB202, introduced and prioritized by the Transportation and Telecommunications Committee, requires that the department develop by Jan. 1, 2011, an electronic system for motor vehicle and motorboat titles and liens. A certificate of title will remain in the system if a lien or notice of a lien is filed, and owners can obtain printed certificates of title once all liens are discharged.

The bill permits electronic title records to serve as sufficient evidence of an owner's interest in a vehicle or boat. In addition, all security interests and liens will be submitted and cancelled through the system, which dealers and security interest holders can access.

The bill passed on a 48-0 vote.

## Urban Affairs

### Omaha land reutilization authority sought

Metropolitan class cities would be authorized to establish a land reutilization authority under a bill given first-round approval April 16.

Currently, counties have jurisdiction to dispose of tax-delinquent land. Under LB360, introduced by

# ISSUES UPFRONT.....

Omaha Sen. Tanya Cook, metropolitan class cities also could be granted land reutilization authority.

Cook said the change would promote housing and urban development.

“LB360 will take delinquent properties and get them back on the tax rolls as quickly as possible,” she said.

A committee amendment, adopted 32-0, clarifies that a county authority would continue to exist after creation of a municipal land reutilization authority and would retain jurisdiction over property located outside of city limits.

The amendment also empowers a newly created municipal land reutilization authority to enter into an agreement with any county under the Interlocal Cooperation Act.

The bill advanced to select file on a 33-0 vote.



Sen. Tanya Cook

## Annexation clarification bill advanced

Lawmakers gave first-round approval April 14 to a bill intended to clarify subdivision property transfers during annexation.

Omaha Sen. Mike Friend said he introduced the bill to clarify a law passed in 2001 that created confusion regarding ownership of designated streets and public areas during an annexation process. LB495 makes clear that a municipality becomes the owner upon annexation and not upon mere approval of the plat, he said.

Friend explained that a plat is a map of a specific area that defines locations in square footage. Areas are platted before annexation, he said, and LB495 makes clear that these processes are separate.



Sen. Mike Friend

“This is a bill that clarifies language for city attorneys,” Friend said.

Senators advanced the bill to select file 31-0.

## Bill would increase handicapped parking penalties

Parking illegally in a handicapped-designated space would carry increased penalties under a bill advanced April 16.

Introduced by Sen. Mike Friend of Omaha, LB524 would increase the penalty for an initial infraction from \$100 to \$150. Penalties for second and third infractions incurred within a one-year period would increase to \$300 and \$500 respectively. Currently penalties are \$200 for a second offense and \$300 for a third offense.

Friend said penalties have not been revised since 1993.

LB524 was advanced to select file on a 39-0 vote.

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## Sen. Hadley travels full circle

**A**lthough he is a freshman senator, the halls of the State Capitol building are a familiar sight to Sen. Galen Hadley.

“I walked through the Capitol every day for three years, never dreaming I would be a state senator,” he said.

The Kearney senator grew up in the German-Russian bottoms neighborhood in Lincoln and used to cut through the Capitol building on his way to and from class at Lincoln High School.

A lot has happened in between his bookend appearances in these halls. Hadley graduated from the University of Nebraska with a degree in accounting and spent 20 years at the University of South Dakota, where he taught, served as vice president and later served as interim university president.

In 1991, Hadley and his wife, Marilyn, both took positions at UNK – Hadley as dean of the Business College and Marilyn as dean of the Education College.

It was in Kearney that Hadley first became involved in public service. He served on the Kearney City Council and also as the mayor.

“I like to be able to listen to people’s concerns and be able to do something about them,” he said.

Hadley said his city council experience has proved valuable in his work at the Legislature, especially in the committee process.

“You get to talk and meet with the public just like a city council does,” he said.

But Hadley also draws on more personal life experiences for his work in the Legislature. Hadley and his wife have traveled to all 50 states and

37 different countries. Each trip has offered him new perspective, he said. Their most exotic trips have been to Kenya for a safari and their two-week trip to Antarctica.

“Visiting a different culture has always been fun for us,” Hadley said. “We find friendly people all over the world.”

The couple has rented an apartment in Buenos Aires, Argentina, for two six-week visits and plans to return in the future. The extended stay provides a less touristic experience that includes trips to the local grocery store and 28-cent bus rides in the city’s elaborate public transportation system.

Hadley said he’s also picked up some other important skills in his travels.

“I can order a beer in eight different languages,” he said with a laugh.

When asked if he finds Nebraska a bit boring after his world travels, the senator seemed shocked by the suggestion. In fact, he said one of the best parts of travel is coming back to the state.

Travel also reminds him of the things public servants in Nebraska should be working to protect, he said, such as clean air and water supply.

“It’s fun to travel, but it’s fun to get back your familiar settings,” he said. “It makes you appreciate what you have here.”



*Sen. Hadley and his wife, Marilyn, pause for a photo during their two-week trip to Antarctica last year.*

# CITIZEN VIEWS of the CAPITOL



photo by Tim O'Brien, used with permission

Named one of America's favorite buildings by the American Institute of Architects, Nebraska's State Capitol Building is a favorite subject among photographers. Its dramatic architecture provides many opportunities for closer study. The Unicameral Update invited members of the public to share their own Capitol photographs with our readers. This color photo series is available on the Unicameral Update online at <http://unicameralupdate.blogspot.com>.

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